



excelsiorgold
LIMITED

24th October 2012

ASX Market Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000



ASX Code: EXG

Zoroastrian Drilling Update No. 1 Results Extend High Grade Gold Mineralisation

Highlights:

- **New drilling results extend stock work style gold mineralisation down dip (and along strike of current defined gold resource)**
- **Reverse circulation drilling results from pre-collars holes at Zoroastrian include:**
 - **26m @ 2.89g/t Au from 231 metres incl. 12m @ 5.20/t Au from 243 metres (KNCD120169*)**
 - **10m @ 4.28g/t Au from 192 metres (KNCD120175*)**
 - **1m @ 14.7g/t Au from 225 metres (KNCD120175*)**
 - **7m @ 2.09g/t Au from 100 metres (KNCD120175*)**
- **Diamond drilling in four holes to date has hit broad alteration zones similar in style to that hosting the above intercepts.**
- **Drilling is continuing with two reverse circulation drill rigs and one diamond drill rig on-site.**

Excelsior Gold Limited (Excelsior Gold or the Company) is pleased to advise that assay results (*Table 1*) from the first eight reverse circulation (RC) drill holes (including six pre-collars) at the Zoroastrian prospect at the Kalgoorlie North Gold Project have returned strong gold mineralisation with potential to significantly extend the current gold resources. The first four diamond tails have been drilled and are currently being logged and processed.

This drilling is part of Phase 1 of a three stage program currently underway on the emerging Zoroastrian area designed to expand the resources in the interpreted large two kilometre long gold mineralisation system.

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The new drilling is specifically designed to extend the known stockwork style gold mineralisation along strike and at depth to a vertical depth of up to 350 metres over approximately 900 metres of the interpreted two kilometre strike length of the gold mineralised system. Previous drilling has been restricted to approximately 220 vertical depths.

The first eight holes (*KNCD120168-171, 174, 175, 179 and 189*) consisting of 1,848 metres of RC and 347.4 metres of diamond core have been drilled over approximately 200 metres of strike on a nominal 40m x 40m spacing. The holes were designed to test down dip and along strike extensions of the mineralisation encountered in previously announced results which included:

- **13m @ 5.22g/t Au** from 105m, **17m @ 4.03g/t Au** from 158m and **5m @ 4.89g/t Au** from 193m, (*KNC120161*),
- **7m @ 3.21g/t Au** from 145m, **8m @ 3.37g/t Au** from 172m and **15m @ 3.49g/t Au** from 193m (*KNC120116*), and
- **4m @ 21.4g/t Au** from 130m (*KNC120167*)

The results to date confirm the current structural interpretation of numerous west dipping splay structures fanning off a major east dipping shear zone. The drilling results also confirm an increase in width and intensity of alteration associated with the gold bearing quartz stockwork systems as the splay structures converge (*Figures 2 and 3*).

KNCD120175 represents the northern most hole testing this structural model and the system remains open down dip towards the interpreted intersection points and along strike both to the north and the south.

Intercepts with similar gold grades and alteration style to KNCD120175 occur for a further 200 metres to the north (*Figure 1*) including:

- **6m @ 2.68g/t Au** from 135m and **8m @ 8.69g/t Au** from 157m (*KNC120047*)
- **13m @ 5.89g/t Au** from 56m, **7m @ 4.173g/t Au** from 82m and **9m @ 2.63g/t Au** from 193m, (*KNC120022*),
- **4m @ 8.28g/t Au** from 107m (*KNC110121*)
- **4m @ 8.88g/t Au** from 147m (*KNC090031*)

Drilling will now test the interpreted strike continuity of the stockwork down dip from the above results and concentrate on areas closer to the interpreted intersection of the splay structures with the major shear which potentially host broad zones of high grade gold mineralisation.

Further drilling will also be conducted over a 500 metres zone to the north west of the historical Zoroastrian pit where no previous drilling has tested the new structural interpretation and the extensions of the broad stockwork mineralised zones.

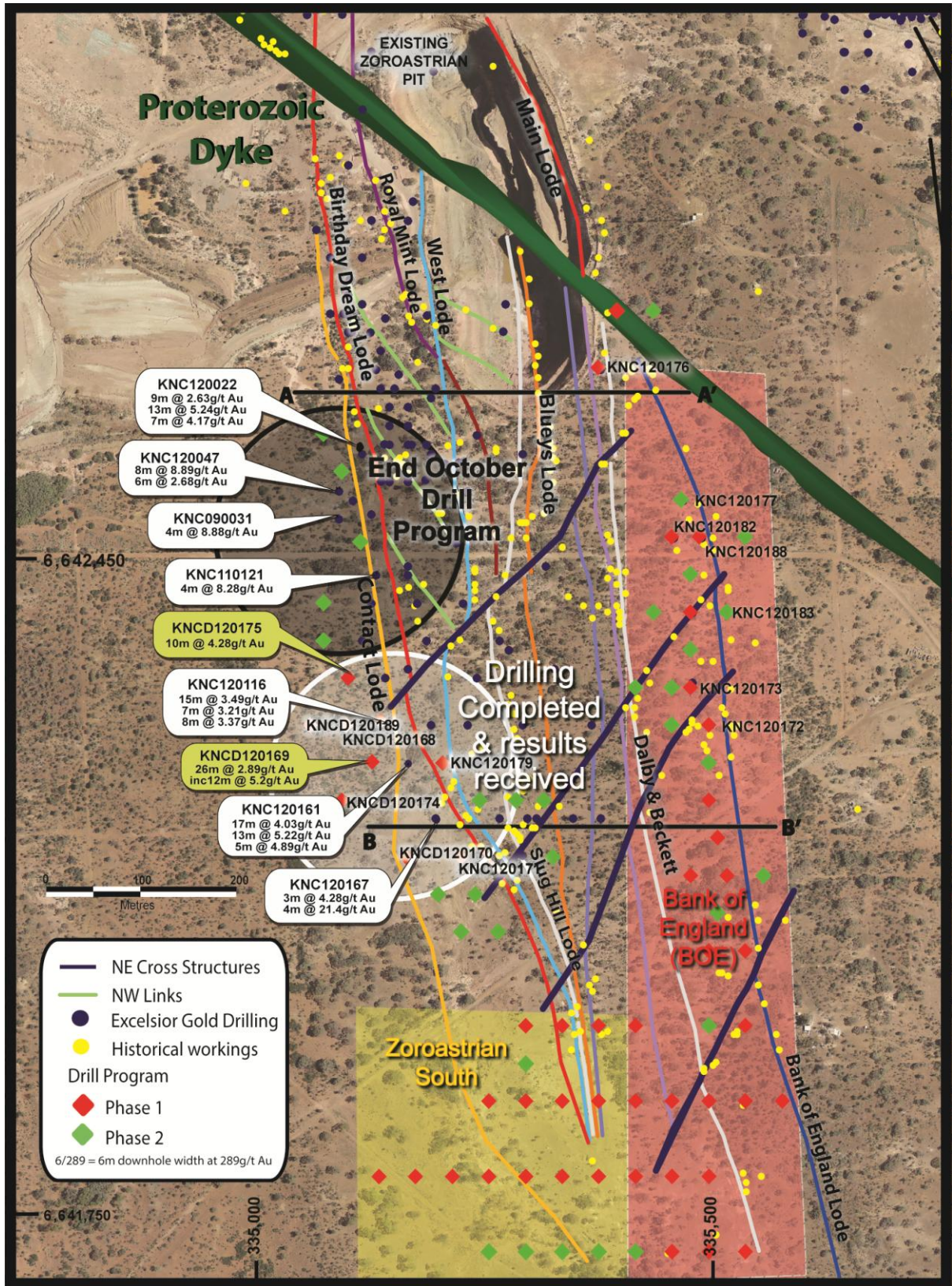


Figure 1. Zoroastrian Drilling Results and Structural Model – Plan View
(showing existing open pit, gold mineralised structural trends, recent RC drilling results and new drilling results in yellow)

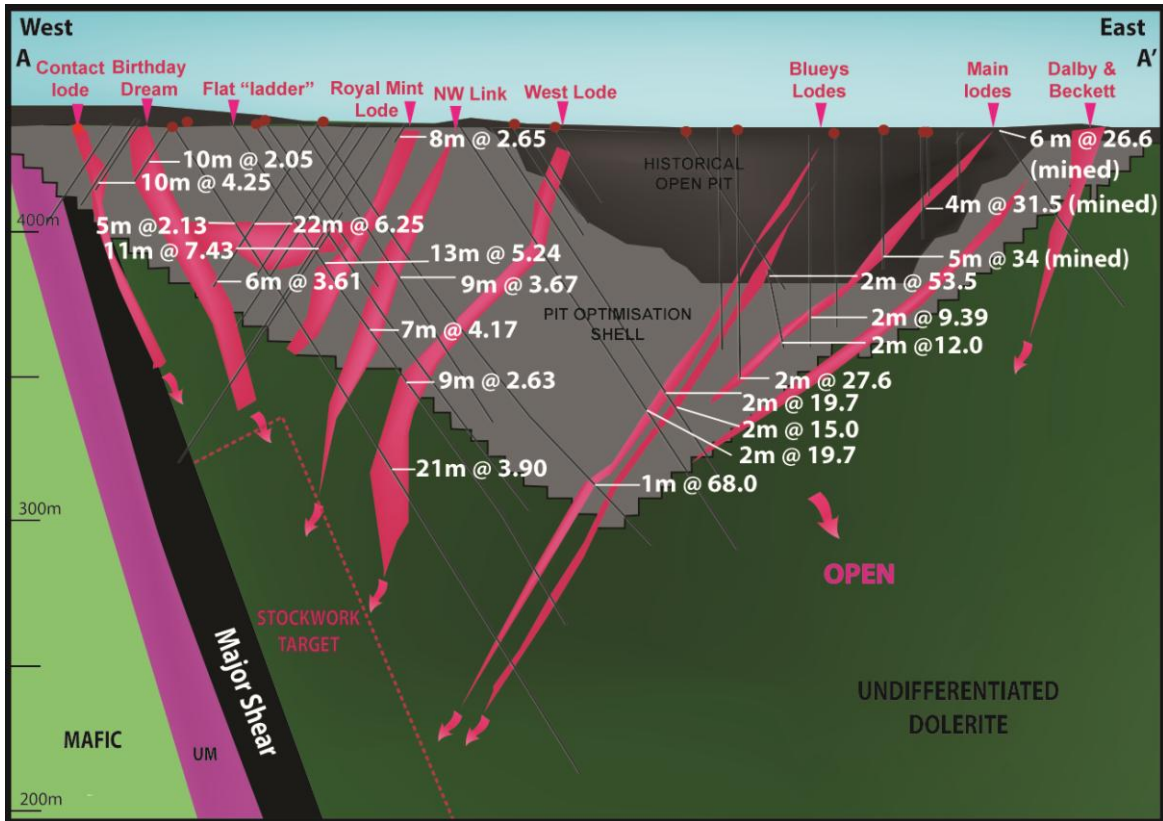


Figure 2. Zoroastrian Drilling Results and Structural Model Schematic Cross Section A-A'

Gold mineralised structural trends, historical RC drilling results and new drilling results as red dots
 10m @ 4.28 = 10m downhole interval at 4.28g/t Au

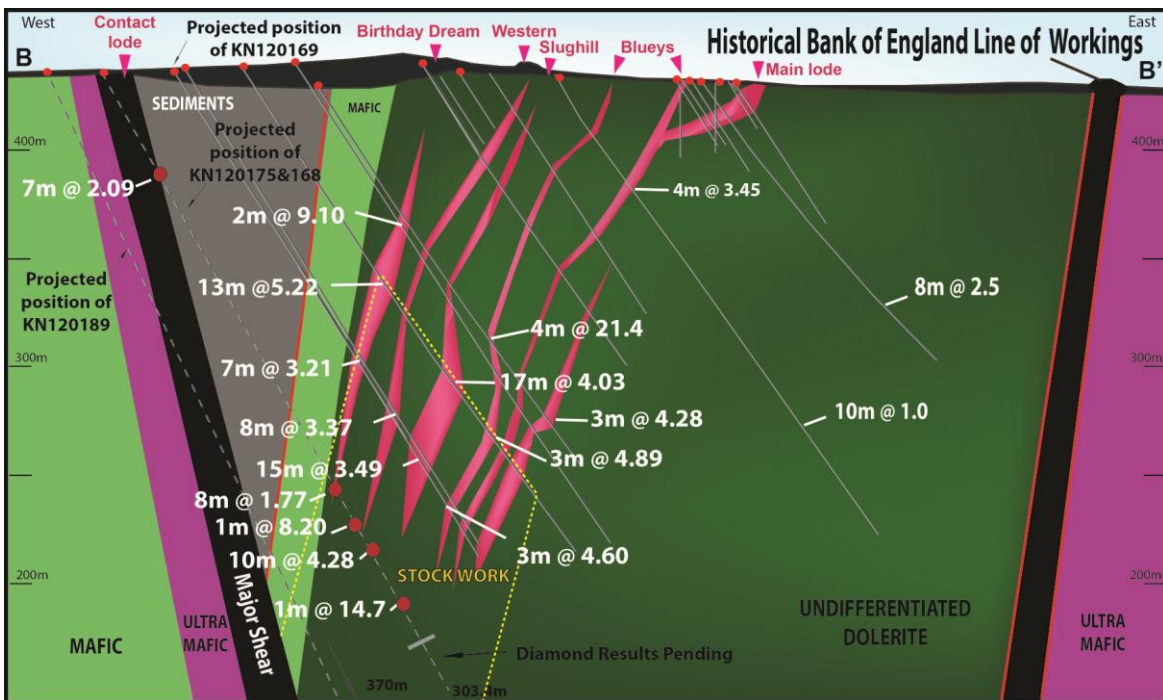


Figure 3. Zoroastrian Drilling Results and Structural Model Schematic Cross Section B-B'

Bank of England

Seven shallow RC holes (*KNC120172-1731, 176,182,183 and 188*) for 474 metres of drilling have been completed to date over 400 metres of strike to test the historical Bank of England line of workings on the eastern contact of the Zoroastrian Dolerite. Drilling has intersected zones of quartz veining associated with anomalous gold along this contact confirming the prospectivity of this trend. The best result to date is **2m @ 3.04g/t Au** from 22m (*KNC120172*) with drilling is still in progress.

These initial results from the shallow drilling on the Bank of England line will facilitate targeting of deeper holes to evaluate the structural model being developed for the eastern contact zone. Drilling in the Zoroastrian area has demonstrated that narrow near surface vein structures can mask broad zones of stockwork style high grade mineralisation at depth where the narrow veins intersect the major dolerite contact shear zone. Further drilling is required to better define stockwork style target zones within the eastern contact area.

Zoroastrian South

Initial (Phase 1) drilling to the south of the Zoroastrian resource is designed to test a further 180 metres of strike where geological interpretations and historical workings suggest gold bearing structures may exist.

No previous drilling has been conducted within this area and to date 18 RC holes (*KNC120178, 180-181, 184,-187,190-192, 194-201*) for 1,494 metres of drilling have been completed.

Drilling has intersected a similar sequence of rocks that hosts the Zoroastrian resource with a number of zones of shearing and quartz veining. No results have been received.

All the results received to date of the recent drilling program at Zoroastrian are summarised in *Table 1*. Drilling continues to demonstrate that the Zoroastrian dolerite has good potential for large high grade gold resources which offer both open pit and underground mine production potential. Further drill results will be released as they are confirmed.

The growing significance of the high grade gold mineralisation at Zoroastrian has a major impact on the development plans for the Kalgoorlie North Project. The pre-feasibility study initiated in January 2012 was originally based on open pit mining of resources centred on the Excelsior deposit (**11.1Mt @ 1.28g/t Au for 456,000ozs**) located 300 metres to the east of Zoroastrian. This study has been significantly expanded to include the large open pit mining potential of the Zoroastrian deposit and the opportunity to establish new processing facilities at the old Bardoc plant site and it is now scheduled for completion in June 2013.

For further information visit www.excelsiorgold.com.au or contact

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Table 1: Zoroastrian Drill Hole Summary (October 2012)

HOLE NUMBER	PROSPECT	MGA94 Z51 NORTH	MGA94 Z51 EAST	AHD RL	RC depth	DIAMOND TAIL	FINAL DEPTH	COLLAR DIP	COLLAR AZIM	FROM (m)	TO (m)	LENGTH (m)	GRADE (Au g/t)
KNCD120168	Zoro	6642280	335085	438	249.9	53.5	303.4	-60	90	146	147	1	2.67
										227	229	2	5.90
										248	250#	2	3.76
										250	303.4	awaiting results	
KNCD120169	Zoro	6642240	335110	439	283	TBD	283	-60	90 inc	231	257	26	2.89
										243	255	12	5.2
										272	276	4	0.82
										282	283	1	1.45
										diamond tail to be drilled			
KNCD120170	Zoro	6642140	335150	431	250	TBD	250	-60	90	177	178	1	6.63
										202	204	2	3.64
										diamond tail to be drilled			
KNC120171	Zoro	6642140	335210	431	160		160	-60	90	105	106	1	3.80
										119	120	1	1.31
to be re-entered													
KNCD120174	Zoro	6642200	335080	437	245	79.5	324.5	-60	90	243	245#	2	3.46
										245	324.5	awaiting results	
KNCD120175	Zoro	6642330	335085	438	219.6	83.4	303.4	-60	90	95	96	1	1.07
										100	107	7	2.09
										130	131	1	1.55
										155	163	8	1.77
										173	174	1	8.20
										192	202	10	4.28
										208	209	1	14.7
219.6	303.4	awaiting results											

Table 1(continued): Zoroastrian Drill Hole Summary (October 2012)

HOLE NUMBER	PROSPECT	MGA94 Z51 NORTH	MGA94 Z51 EAST	AHD RL	RC depth	DIAMOND TAIL	FINAL DEPTH	COLLAR DIP	COLLAR AZIM	FROM (m)	TO (m)	LENGTH (m)	GRADE (Au g/t)
KNCD120189	Zoro	6642280	335045	437	241	129.5	370	-60	90	awaiting results			
KNC120179	Zoro	6642240	335190	442			200	-60	90	awaiting results			
KNC120172	BOE	6642280	335480	430	54		54	-60	90	20	22	2	3.04
KNC120173	BOE	6642320	335480	430	64		64	-60	90	26	38	12	0.13
										49	50	1	1.06
KNC120176	BOE	6642660	335360	430	86		86	-60	90	awaiting results			
KNC120177	BOE	6642520	335450	430	90		90	-60	90	awaiting results			
KNC120182	BOE	6642480	335440	430	80		80	-60	90	6	8	2	0.52
KNC120183	BOE	6642400	335460	430	62		62	-60	90	33	52	19	0.16
KNC120188	BOE	6642480	335470	430	42		42	-60	90			0	

All assay results based on GS Kalgoorlie 50g Fire Assay charge with an atomic absorption analysis

Hole finished in gold mineralisation

Intersections greater than 20 gram metres (assay x interval > 20) in **BOLD**



Figure 4. Kalgoorlie North Gold Project – Central Resource Area Geological Plan
 (showing current resource areas and preliminary pit optimisation shells with resources quoted at 0.6 and 3.0g/t Au lower cut-offs)

Disclaimer

The open pit and underground mining studies carried out by Auralia Mining Consulting Pty Ltd contained in this document are classed as conceptual level only. Due to this, the subsequent material inventories resulting from this work do not constitute or imply Minable Reserves. The estimates and beliefs applied in undertaking the conceptual mining studies, either stated or implied, by the Company and its consultants are based on a number of assumptions that involve known and unknown risks and uncertainties which may result in future outcomes that may significantly differ to any expressed or implied estimates or projections derived from these conceptual studies. Given the level of study, any data resulting from these conceptual studies refers solely to potential and does not guarantee that future work will result in the determination of Minable Reserves.

KALGOORLIE NORTH GOLD RESOURCES		MEASURED			INDICATED			INFERRED			TOTAL RESOURCES		
<i>Deposit</i>	Cut-Off (g/t Au)	Tonnes (,000t)	Grade (g/t Au)	Ounces (,000oz)	Tonnes (,000t)	Grade (g/t Au)	Ounces (,000oz)	Tonnes (,000t)	Grade (g/t Au)	Ounces (,000oz)	Tonnes (,000t)	Grade (g/t Au)	Ounces (,000oz)
Excelsior	0.6	5,175	1.40	232.2	3,230	1.20	124.9	2,652	1.16	99.0	11,057	1.28	456.1
Zoroastrian (O/P)	0.6				1,481	2.29	109.1	1,220	2.44	95.6	2,701	2.36	204.7
Zoroastrian (U/G)	3.0				215	5.48	37.9	273	4.98	43.8	488	5.20	81.6
Zoroastrian (Total)					1,696	2.69	146.9	1,493	2.90	139.4	3,189	2.79	286.3
<i>Satellite Resources (within 4km radius of Excelsior)</i>													
Lochinvar	0.6				448	1.74	25.1	60	1.70	3.3	508	1.74	28.4
Three Star	0.6							92	2.26	6.7	92	2.26	6.7
Ellen Pearce	0.6							35	1.75	2.0	35	1.75	2.0
Navan	0.6							76	1.61	3.9	76	1.61	3.9
Jackorite	0.6				89	2.73	7.8	29	1.79	1.7	118	2.50	9.5
Castlereagh	0.6				194	1.48	9.2	13	1.29	0.5	207	1.47	9.8
Nerrin Nerrin	0.6				62	2.54	5.1	34	2.42	2.7	96	2.50	7.7
Parkerville	0.6				97	1.90	5.9	52	1.42	2.4	149	1.73	8.3
Big Blow South	0.6				50	4.50	7.2	139	4.04	18.1	189	4.16	25.3
Total Satellite Resources					939.8	2.00	60.4	530.1	2.42	41.2	1,470	2.15	101.5
<i>Other Resources (greater than 4km from Excelsior)</i>													
Eldorado	0.6				362	1.61	18.8	31	1.43	1.4	393	1.60	20.2
North Talbot	0.6							662	1.67	35.6	662	1.67	35.6
North Duke	0.6							706	1.12	25.4	706	1.12	25.4
Bulletin South	0.6							363	2.01	23.4	363	2.01	23.4
Windanya	1.0							42	3.00	4.0	42	3.00	4.0
Total Other Resources					362	1.61	18.8	1,803	1.55	89.8	2,165	1.56	108.6
TOTAL RESOURCES		5,175	1.40	232.2	6,227	1.75	350.9	6,478	1.77	369.4	17,881	1.66	952.6

Table 2. Kalgoorlie North Gold Project – Resource Inventory (September 2012)

Competent Person Statement:

Information in this announcement that relates to Mineral Resource and exploration results is based on information compiled by Mr. David Potter who is the Technical Director of Excelsior Gold Limited. Mr. Potter is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Potter consents to the inclusion in the document of the information in the form and context in which it appears.